

# **Emotional Intelligence and its Impact on Entrepreneurial Intention; the Role of Psychological Capital as a Mediator (With Special Reference to Entrepreneurial Undergraduates of Sri Lanka)**

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Entrepreneurship plays an important role in economic prosperity and social stability of any country. Therefore, fostering entrepreneurship among students has become an important topic for universities, government agencies and research academicians in Sri Lanka. The dependent mentality of students is a huge hindrance for entrepreneurship within the country as it has been anchored in their minds from the initial stage. However, Universities have amended the curriculum and have taken measures to enhance an entrepreneurial culture within the country, but the outcomes seem to be very slow. Even though, studies revealed that a higher percentage of undergraduates are willing to be entrepreneurs, there is very low evidence that at least a majority of them have pursued their career as entrepreneurs after graduation. This study identifies the emotional intelligence and its impact on entrepreneurial intention while psychological capital as a mediator with special reference to entrepreneurial undergraduates of Sri Lanka. A sample of 160 undergraduates of the four main entrepreneurship degree offering universities were selected in terms of stratified sampling. Primary data were collected by using a structured questionnaire. In order to achieve the objectives researcher used Descriptive Analysis, Correlation, and Simple Regression Analysis while A.F. Hayes' Mediation Assessment Model and Process Model 04 also used to derive results. Findings revealed that there is a significant influence of emotional intelligence on entrepreneurial intention. Further, a significant positive influence of emotional intelligence on psychological capital and significant positive influence of psychological capital on entrepreneurial intention also observed. This shows that it is important for potential entrepreneurs to be equipped with psychological and emotional competencies to pursue an entrepreneurial career apart from the knowledge acquired. Therefore, entrepreneurial undergraduates should be given proper exposure to enhance their mental stability to cope with challenges.

*Keywords:* Emotional intelligence, Entrepreneurial intention, Psychological capital, Undergraduates